

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 2003-348-C – ORDER NO. 2004-192

SEPTEMBER 7, 2004

IN RE: Application of Qwest Communications Corporation and Qwest Interprise America, Inc. for Approval to Transfer Public Payphone Assets to Coin Phone Management Co.)	ORDER GRANTING TRANSFER OF ASSETS AND MOTION FOR EXPEDITED REVIEW
)	

On November 25, 2003, Qwest Communications Corporation and Qwest Interprise America, Inc. (collectively "Qwest") filed with the Public Service Commission of South Carolina ("Commission") an Application to transfer its payphone assets in South Carolina to Coin Phone Management, Inc. ("Coin Phone"). By Motion filed with the Commission on March 9, 2004, and in accordance with 26 S.C. Regs. 103-820 and 103-840, Qwest requested that the Commission waive the hearing requirement to approve the transfer of assets. The Commission is of the opinion, and so finds, that both the Motion for Expedited Review and the Application for the transfer of assets should be granted on the basis of the following findings and conclusions:

FINDINGS OF FACT

1. Coin Phone was authorized to provide pay telephone services in South Carolina on May 21, 1993, in Order No. 92-385 in Docket No. 85-150-C.

2. Proper notice of the Application in this matter was published by the Applicant providing notice and opportunity to any interested third parties to intervene in this matter. Further, there was no intervention in this matter.

3. Qwest is a wholly owned subsidiary of Qwest Communications International, Inc. and was granted a certificate to provide pay telephone services within South Carolina on August 22, 2001, in Docket No. 85-150-C, Order No. 2001-883.

4. Coin Phone is authorized to provide pay telephone services in South Carolina by Order of this Commission in Order No. 92-385 in Docket No. 85-150-C.

5. Coin Phone has entered into an agreement with Qwest to purchase Qwest's pay telephone services and assets in South Carolina and 27 other states.

6. Coin Phone has agreed to and will maintain the pay telephone equipment obtained from Qwest in the State of South Carolina at sufficiently high standards to provide the same quality of pay telephone services as those previously offered by Qwest's pay telephones in this state.

7. As neither Qwest nor Coin Phone offers the pay telephone services being provided to these customers through a South Carolina tariff, the transaction being approved herein will result in no changes or modifications to any existing South Carolina state tariffs.

8. Upon consummation of the proposed transaction between Coin Phone and Qwest, Qwest will have sold all of its pay telephone assets in South Carolina and will have therefore abandoned this service to the public in South Carolina.

9. The contemplated transfer of the public payphone assets of Qwest's customer-owned pay telephone service in South Carolina to Coin Phone includes: 1) the rights and obligations under certain contracts and commercial relationships between Qwest and customers for the provision of certain payphone services; 2) payphone equipment; 3) all of Qwest's interest in and to the pay telephone numbers associated with the payphones; 4) any cause of action, claim or right of action against third parties arising from or relating to the purchased assets, the non-transferred payphones, and the non-transferred customer contracts; 5) all unsatisfied claims of recovery for losses to tangible purchased assets, the non-transferred payphones and the non-transferred customer contracts as of the closing date; 6) the right to use Qwest's existing information cards and labels on each of the payphones for a period of 30 days after closing and all other Qwest intellectual property that is affixed to each payphone enclosure for up to 120 days after closing; 7) all books, records, files, and other documents relating to the payphone business; and 8) all cash and cash equivalents in the payphones as of 12:01 am on the closing date.

10. The Commission finds that it is in the public interest of the citizens of South Carolina to approve the transaction between Qwest and Coin Phone as Coin Phone is an established pay telephone service provider in South Carolina with qualified technical, management, and maintenance teams which will continue to provide the citizens of this State with competitive pay telephone service.

CONCLUSIONS OF LAW

1. Based on our finding that no parties intervened in this matter, we conclude it is proper to waive the requirement for a formal hearing in this matter under S.C. Code Ann. Sections 1-23-310(3) and 1-23-320(f) and S.C. Code Regs. 103-820 and 103-840.

2. Based on this Commission's approval of the transaction between Coin Phone and Qwest, we conclude that Qwest has abandoned its pay telephone services offered to the public, and in accordance with S.C. Code Ann. Section 58-9-300 (Supp. 2003), that Qwest is entitled to a certificate of abandonment of its customer owned pay telephone services in South Carolina issued under Docket No. 85-150-C. Qwest will maintain and continue to be authorized by this Commission to provide the other telecommunications services in South Carolina which it has been authorized by this Commission to provide.

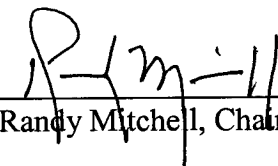
3. We conclude that Coin Phone is fit, willing, and able to provide pay telephone services in South Carolina by authorization of this Commission in Order No. 92-385 in Docket No. 85-150-C and adopt in this Order the requirements and limitations placed on Coin Phones provision of such service in this State as provided in Order 92-385.

4. We conclude that it is in the best interest of the public to approve the contemplated transaction between Qwest and Coin Phone to ensure competitive pay telephone services in South Carolina.

IT IS THEREFORE ORDERED:

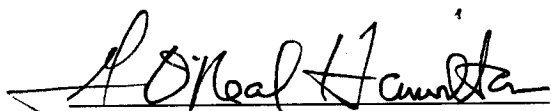
1. That the request of Qwest to transfer its pay telephone assets in South Carolina to Coin Phone is approved.
2. That the Motion for Expedited Review of this Application is granted, and the requirement of a formal hearing is waived.
3. That Qwest's pay telephone certification in South Carolina is hereby cancelled. This cancellation in no way affects Qwest's authority to continue to provide local exchange, interexchange, alternative operator services, and exchange access services in South Carolina.
4. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



Randy Mitchell, Chairman

ATTEST:



G. O'Neal Hamilton, Vice Chairman

(SEAL)